

EXHIBIT 5

November x, 2012

Keith Wilson
President
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Ft. Worth, TX 76155-2512

Subject: Settlement Consideration and Bankruptcy Protections

Dear President Wilson:

The Tentative Agreement dated November x, 2012 reached between American Airlines, Inc. ("Company") and the Allied Pilots Association ("APA") in connection with the Company's Chapter 11 Restructuring was agreed to in furtherance of the Company's effort to restructure its capital structure and operations, and in consideration of the terms of the Tentative Agreement and this Letter of Agreement. This Letter of Agreement will be binding on any Chapter 11 trustee that may be appointed in the Company's present bankruptcy cases, *In re AMR Corporation, et al.*, Chapter 11 Case No. 11-15463(SHL) (hereinafter "Bankruptcy Cases"), or other entity operating with the equivalent authority of a Chapter 11 trustee.

The Company and APA agree as follows:

1. Settlement Consideration. In full and complete satisfaction of any and all claims APA has or might arguably have, on behalf of itself or the pilots represented by APA, pursuant to the Railway Labor Act ("RLA") or under or with respect to the abrogated collective bargaining agreement between the Company and APA or the existing pilot terms and conditions of employment ("Green Book"), against the Debtors (or any of them) in the Bankruptcy Cases, and subject to the approval of the Bankruptcy Court, APA will receive under a plan or plans of reorganization of the Debtors equity in the reorganized entity (the "APA Settlement Consideration") equal to 13.5% of such equity issued to the holders of allowed prepetition unsecured claims (including APA) against the Debtors (including any equity issued with respect to other unions) (collectively the "Unsecured Claims"). **The APA Settlement Consideration fully, finally, and completely extinguishes any and all claims, interests, causes or demands (including any and all pending grievances, excluding those grievances identified in Exhibit 1) that APA has or might arguably have, on behalf of itself or the pilots represented by APA, pursuant to the RLA and the terms of the abrogated CBA and/or the Green Book, against the Debtors arising prior to the Effective Date of this Letter of Agreement as defined below. The APA Settlement Consideration will not be**

Letter of Agreement

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Exhibit 1
Grievances excluded from the settlement

Grievance No	Date Filed	Grievant
06-003	01/05/06	Hunter Presidential
07-009	02/12/07	Hunter Presidential
07-028	06/14/07	Haug, William
07-048	08/08/07	Mock, James
07-066	11/05/07	Murphy, Robert
07-082	12/10/07	Emery, Kathy
08-005	02/20/08	Hill Presidential
08-021	04/07/08	Hass, Mark
08-066	07/21/08	Tierney, Michael
08-102	10/08/08	Smith, Sidney
09-002	01/21/09	Reinford, Philip
09-006	03/04/09	Decker, Richard
09-016	03/27/09	Weiland, Ronald
09-036	07/17/09	Balcom, Robert
10-026	04/27/10	Clark, John J
10-077	10/13/10	Minkin, Ronald
10-087	12/21/10	Smith, Carl
11-019	04/12/11	Bowling, Phillip
11-031	05/11/11	Torres, Felix
11-033	05/23/11	Conlon, Steven
11-054	08/18/11	LGA Domicile
11-065	10/24/11	Gordon, Michael
11-066	11/02/11	Bates Presidential
11-067	11/18/11	Sheehan III, James
11-084	11/29/11	AICA
12-009	01/27/12	Thompson Jr, Glen
12-011	02/04/12	Meadows, Lawrence
12-012	05/22/12	DFW Domicile
12-010	02/01/12	Maher, Sylvan
12-016	03/09/12	Thompson, Lawrence
12-023	04/09/12	Salameh, Elias
12-030	05/16/12	Pollenz, Alan
12-034	06/12/12	Piper, William
*12-111	10/26/12	Gary, William
*12-113	10/26/12	Jackson, Carl
*12-114	10/26/12	Bacon, Stephen
10-042 - EXPEDIT	06/24/11	Hill Presidential

*PEH Grievances: the Company reserves the right to challenge as non-disciplinary and not subject to grievance process.